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The impact of the COVID-19 pandemic on employee jobs and income, June quarter 2020

Experimental estimates of quarterly change in employee jobs and income due to the COVID-19 pandemic in the June guarter 2020

Released 8/11/2022

Source: <u>Jobs in Australia, 2015-16 to 2019-20</u>

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In January 2020, the first person tested positive for COVID-19 in Australia. By mid-March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Shortly after, the Australian Government announced various safety measures to protect Australians against COVID-19 and state and territory governments implemented a range of health orders that had immediate impacts on the labour market. At the end of March 2020, the Australian Government announced the JobKeeper program.

Over the June quarter 2020, the effects of COVID-19 on the labour market were almost immediately evident. Compared with the March quarter, the total number of jobs held over the quarter fell by 285,000.

Measuring quarterly jobs and income in Jobs in Australia

This article is based on a new quarterly analysis of the <u>Linked Employer-Employee</u>

Dataset (LEED (/statistics/detailed-methodology-information/concepts-sources-methods/labour-statistics-concepts-sources-and-methods/2021/methods-four-pillars-labour-statistics/administrative-data/linked-employer-employee-dataset-leed)) and presents information on the impact on the June quarter 2020 labour market of the initial set of restrictions and lockdowns resulting from the first wave of the COVID-19 pandemic in Australia. Prior to this, analysis of this data has been focused on annual changes.

The LEED includes annual information about the number and nature of filled jobs in Australia, the people who hold them, and their employers. The annual data are released as part of Jobs in Australia (/statistics/labour/jobs/jobs-australia/latest-release#) (JIA) each year. Most job records are for employee jobs, which are based on Payment Summary data from the Australian Taxation Office (ATO) reported by employers with a start and end date. This information has been used in the analysis in this article. As start and end date information underpins quarterly analysis, only employee jobs with a job duration (the number of days between the start date and end date) are included in this article.

In the quarterly analysis, a job was counted if it had a job duration of at least one day within the quarter. The job's quarterly income was derived by dividing the total reported job income by the job duration to get a daily rate, and then multiplying this rate by the number of days that the job existed for within the quarter. Using these methods, the quarterly measure of jobs is a 'flow' measure (rather than a point-in-time 'stock' measure, such as in Labour Force statistics (https://www.abs.gov.au /statistics/detailed-methodology-information/concepts-sources-methods/labour-statistics-concepts-sources-and-methods/2021/concepts-and-sources/labour-force-framework) and in the Labour Account (https://www.abs.gov.au/statistics/detailed-methodology-information/concepts-sources-methods/labour-statistics-concepts-sources-and-methods/2021/methods-four-pillars-labour-statistics/australian-labour-account).). Therefore, employed persons or employees in the quarter are those who had at least one job at any time in that quarter (which will be higher than the stock estimates in other ABS labour statistics).

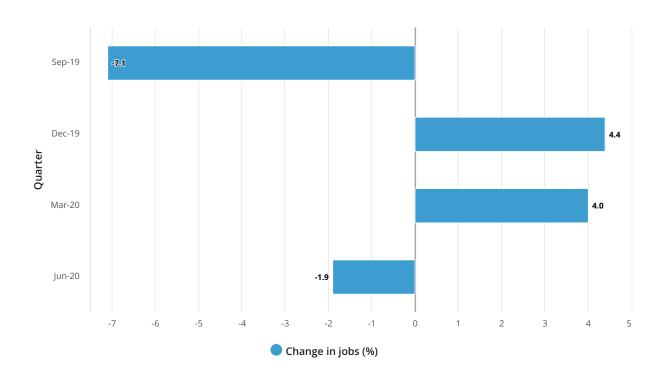
JobKeeper payments received from employers as part of wages and salaries are included in employee income.

For further information on JIA methodology please see Jobs in Australia methodology. (https://www.abs.gov.au/methodologies/jobs-australia-methodology./2014-15-2018-19).

Change in employee jobs, June quarter 2020

The quarterly LEED data for 2019-20 shows employee job losses in the September and June quarters and job growth in the December and March quarters. The 1.9% fall in the June quarter 2020 is in contrast with the seasonal increase in the previous year, with the June quarter 2019 showing job growth of 1.9%. The decrease in the September quarter 2019 is similar in pattern to the previous September quarter.

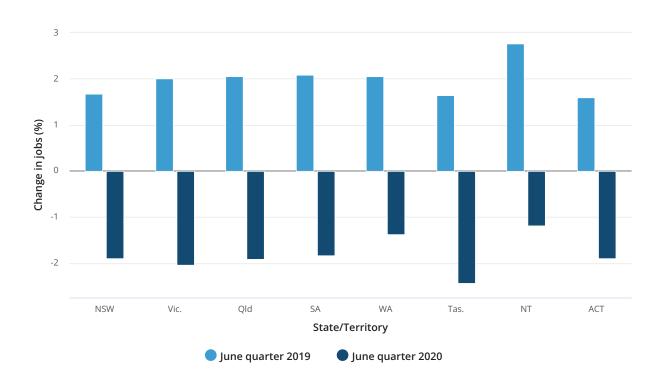
Graph 1 - Quarterly change in jobs, 2019-20 reference year



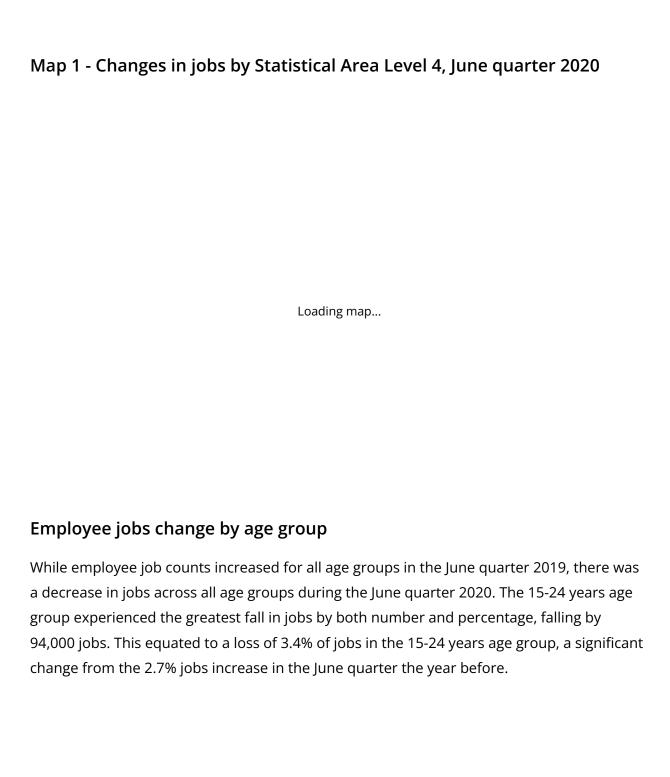
Employee jobs change by geography

In the years immediately prior to 2020, growth in employee jobs during the June quarter was seen in all states and territories. Conversely, there was a decrease in jobs across all states and territories in the June quarter 2020. All states and territories exceeded 1% falls in jobs in the June quarter 2020, with Victoria and Tasmania exceeding 2%.

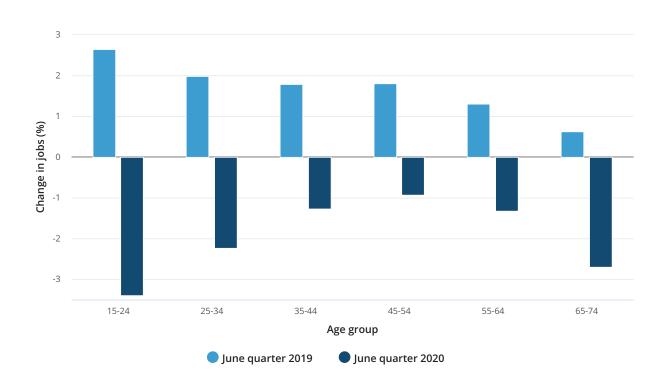
Graph 2 - Quarterly change in jobs by State and Territory, June quarters



There were falls in jobs in nearly all Statistical Area Level 4 (SA4) regions across Australia. Only two Statistical Area Level 4 (SA4) regions across Australia did not experience falls in jobs during the June quarter 2020, with the Mackay–Isaac–Whitsunday SA4 registering 0.6% growth and Queensland-Outback showing growth less than 0.1%. Jobs fell by more than 3% in five regions, with the 3.9% fall in jobs in the Sydney-City and Inner South SA4 region the greatest decrease compared with the March quarter 2020.



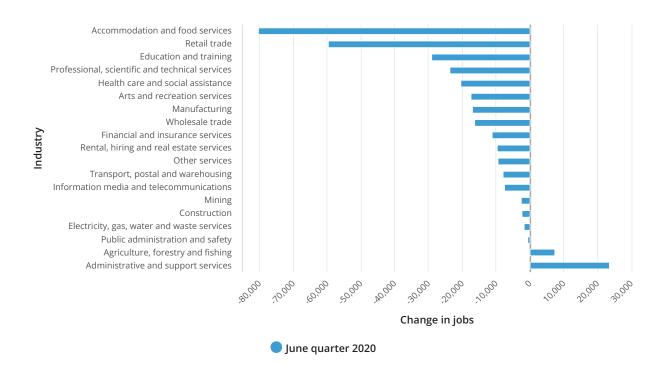
Graph 3 - Quarterly change in jobs by age group, June quarter 2019 and 2020



Employee jobs change by industry and occupation

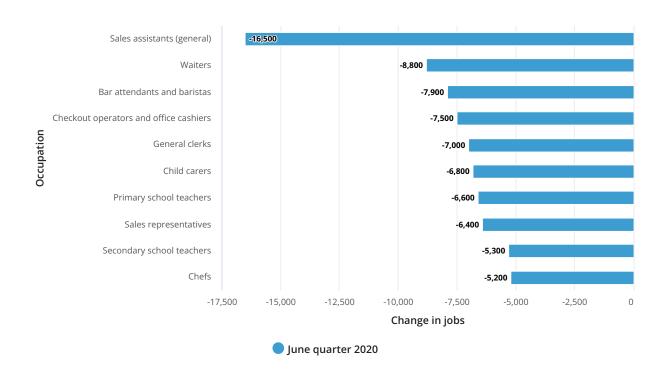
Most industries saw employee jobs fall during the June quarter 2020, with the only exceptions being Administrative and support services and Agriculture, forestry and fishing which had increases of 23,600 and 7,300 jobs. The Accommodation and food services and Retail trade industries both had job losses that exceed 50,000 jobs during the quarter.

Graph 4 - Change in jobs by industry, June quarter 2020



The ten occupations with the greatest falls in jobs over the June quarter 2020 all saw over 5,000 jobs lost. The most heavily impacted occupation was Sales assistants (general) which experienced losses during the June quarter 2020 almost twice that of the next-most affected occupation, Waiters.

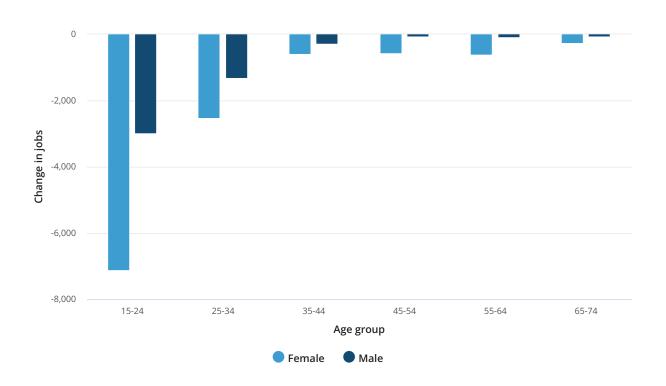
Graph 5 - Occupations with highest fall in jobs, June quarter 2020 (a)



a. Occupations are reported at the unit group (4-digit) ANZSCO level. Occupations without recorded data to the unit group level are excluded.

Sales assistants (general) job losses were concentrated in the younger age groups, with 10,110 jobs lost held by 15-24 year olds, of which more than two-thirds (70.4%) were female.

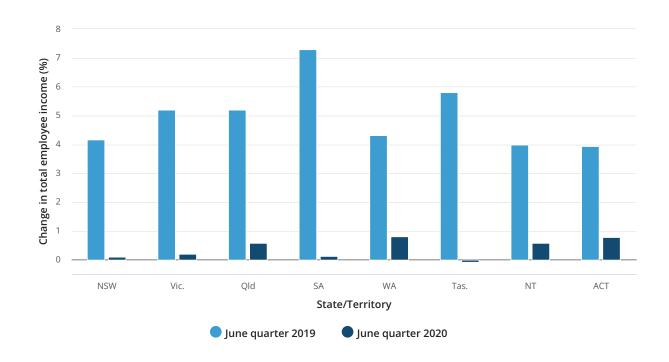
Graph 6 - Change in Sales assistants (general) jobs by age group and sex, June quarter 2020



Change in employee income, June quarter 2020 Employee income change by geography

At the national level, total aggregate employee income grew by 4.9% in the June quarter 2019. Over the June quarter 2020, employee income increased by only 0.3%. In the June quarter 2019, total employee income growth was consistently above 4% across all states and territories. By comparison, in the June quarter 2020, while Tasmania experienced a slight fall of 0.1%, all other states and territories saw a small increase of less than 1% in total employee income.

Graph 7 - Change in total employee income by State and Territory, June quarter 2019 and 2020



The Greater Capital City regions of Australia experienced less growth in total employee income than the Rest of state regions during the June quarter 2020. Total employee income in Greater Capital City regions rose by 0.1%, compared with 0.8% in the Rest of state regions.

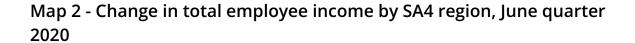
Table 1 - Total employee income by type of region (a)

Type of region	March quarter 2020 (\$b)	June quarter 2020 (\$b)	Change between March and June quarters 2020 (\$b)	Change between March and June quarters 2020 (%)
Greater Capital City	143.7	143.8	0.2	0.1
Rest of State	55.7	56.1	0.5	0.8

a. The ACT is excluded because there is only one Greater Capital City Statistical Area (GCCSA) for the territory.

Of the 89 SA4's in Australia, 61 (or 70%) saw rises in total employee income during the June

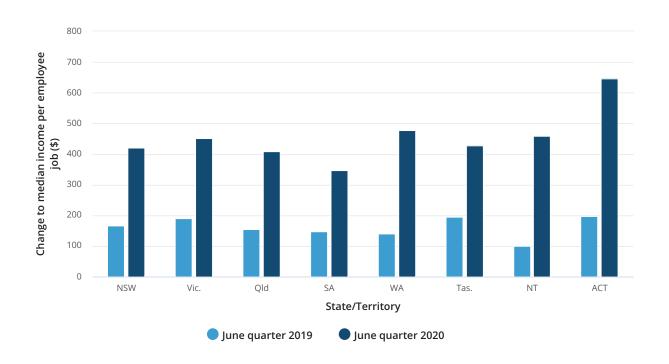
quarter 2020. The Mackay-Isaac-Whitsunday SA4 had the highest growth in total employee income during the quarter (6.5%). The Sydney-City and Inner South SA4 region saw the largest fall (a 0.6% decrease).



Loading map...

Quarterly changes to median income per employee job in the June quarter 2020 ranged between a rise of \$347 in South Australia to an increase of \$645 in the Australian Capital Territory. The Northern Territory saw the smallest rise in the June quarter 2019 (\$100) and the Australian Capital Territory the largest rise (\$197).

Graph 8 - Change in median income per employee job by State and Territory, June quarter 2020



Employee income change by sex

In the June quarter 2020, median income per employee job rose by 5.0% for females and 2.7% for males. The difference in median employee job income between females and males decreased by \$79 during the June quarter 2020 and male quarterly median employee job income remained \$4,203 (46.7%) higher than the female equivalent at the end of the quarter.

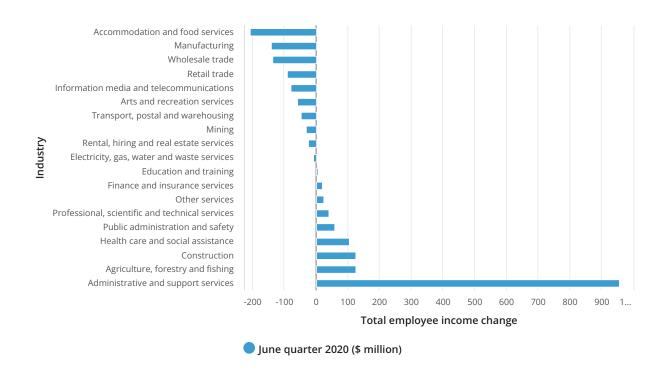
Table 2 - Change in median income per employee job by sex, June quarter 2020

Sex	March median employee job income (\$)	June median employee job income (\$)	Change between March and June quarters 2020 (\$)	Change between March and June quarters 2020 (%)
Female	8,574	9,000	426	5.0

Employee income change by industry

Total employee income fell by more than \$100m in three industries during the June quarter 2020. The Accommodation and food services industry experienced the largest fall, with total employee income reducing by \$207m. The Administrative and support services industry had the largest increase in employee income in the June quarter 2020 (up \$957 million) but lower than the June quarter 2019 (up \$1.2 billion), which was the second largest increase for any industry in the June quarter 2019.

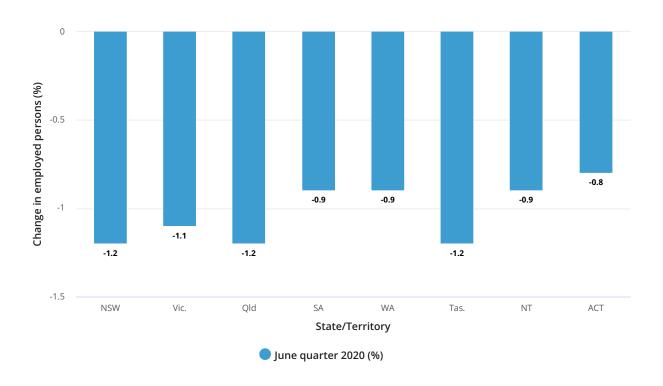
Graph 9 - Change in total employee income by industry, June quarter 2020



Change in employed persons, June quarter 2020 Employed persons change by geography

The count of employed persons fell across all Australian states and territories during the June quarter 2020. The greatest falls in number of people employed at any stage in the quarter were in New South Wales, Queensland and Tasmania (all three down by 1.2%). The

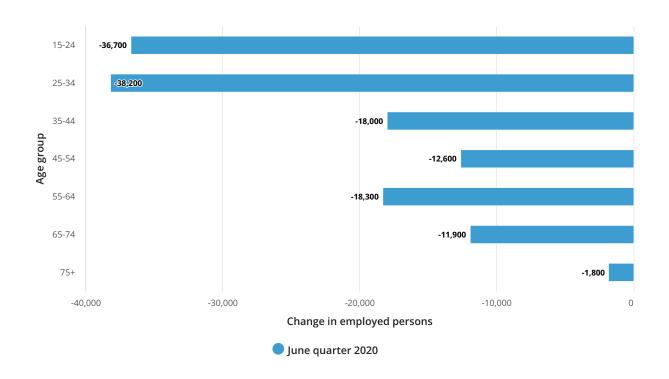
Graph 10 - Change in employed persons by State and Territory, June quarter 2020



Employment change by age and sex

The largest decrease in employed persons in the June quarter 2020 was in the 25-34 years age group, a fall of 38,200 persons. This was only just higher than the fall in the 15-24 years old age group of 36,700 persons. Both these age groups experienced falls in employed persons more than twice the decrease in the next highest age group.

Graph 11 - Change in employed persons by age group, June quarter 2020



In the June quarter 2020, females saw a greater fall in their employment than males. The number of females employed during the quarter fell by 1.3% (76,000 persons) between the March and June quarters 2020. By comparison, the count of employed males fell by 1.0% (59,000 persons).

Table 3 - Change in employed persons by sex, June quarter 2020

Sex	March quarter 2020	June quarter 2020	Change from March quarter to June quarter 2020	Change from March quarter to June quarter 2020 (%)
Female	5,973,000	5,897,000	-76,000	-1.3
Male	6,194,000	6,135,000	-59,000	-1

Post release changes

08/11/2022 - Corrections were made to the commentary in 'Change in employee income,

June quarter 2020'.

19/12/2022 - Corrections were made to the median income data. The statistics that underpin the information in this article can now be found in <u>Jobs In Australia (/statistics /labour/jobs/jobs-australia/latest-release)</u>, in Data downloads tables 16 and 17.